

Complexity-Adjusted Cost Outcome

The formula for calculating CACO is

$$\frac{(\text{Vocational Costs} - \text{Cost Adjustment}) + (\text{Duration} - \text{Duration Adjustment})(\$ \text{Conversion Factor})}{1.5 \text{ for RTW Outcome, or } 1.0 \text{ for Other Outcomes, or } .75 \text{ for Fee Cap Outcome}} \times .001$$

Multiply result of above formula by the Referral Weighting Factor

Referral Weighting Factors

The following chart shows the referral weighting factor used to balance the referral types before and after June 1, 2001:

Referral Type Before 6/1/01	Referral Type After 6/1/01	Referral Weighting Factor
Intervention	Early Intervention	.73
	Ability to Work Assessment	
Plan	Plan Development	.27
	Plan Implementation	

Provider Bulletin 01-04 includes a detailed description of each part of the formula.